State of South Carolina Volkswagen Environmental Mitigation Trust Round 1 Funding Awards Overview

The South Carolina Department of Insurance, as the lead agency for the State of South Carolina, issued a Request for Applications (Round 1) on March 18, 2019. This round of funding sought to award up to \$10 million under the state's \$34 million allocation for the Volkswagen Environmental Mitigation Trust (VWEMT).

This initial round of funding is limited to replacement of Class 4-8 School, Shuttle and Transit Buses (Eligible Buses). Applications were only accepted from Government entities; however, Non-Government entities were eligible to apply in partnership with one or more Government entities. Further, the Request for Applications noted that priority may be given to funding replacement buses that are fueled by sources other than diesel.

There was a 60-day application window which closed on Friday, May 17, 2019.

8 Applications Received

The SCDOI received eight applications requesting a total of \$29.4 million in funding through the VWEMT (amount requested rounded and noted in parenthesis). The links below provide a copy of each application, excluding any proprietary information received:

- Berkeley-Charleston-Dorchester Council of Governments (\$8.3M)
- City of Anderson (\$73.6k)
- Clemson Area Transit (\$2.25M)
- Lowcountry Regional Transportation Authority (\$5.4M)
- Medical University of South Carolina (\$2.58M)
- Pee Dee Regional Transportation Authority (\$315k)
- SC Department of Education (\$10M)
- Williamsburg County Transit System (\$440k)

The total project costs for all applications (including external funding sources) was \$37.9 million.

3 Applications Funded

After careful review, the SCDOI has awarded \$9,333,136.95 in funding to the following entities (copies of the award letters are linked to for each):

- ✓ <u>SC Department of Education</u>
- ✓ Berkeley-Charleston-Dorchester Council of Governments
- ✓ <u>City of Anderson</u>

All replacement buses to be funded will be fueled by a source other than diesel. What follows is a summary of the funding awarded by entity.

1. SC Department of Education

- ✓ 78 Thomas Built propane school buses
- ✓ Award Amount: Up to \$7,872,618.00
- ✓ Total Project Costs: \$7,872,618.00
- ✓ SCDOE will provide funding from the following sources:
 - Revenues from scrappage of buses to be replaced will be allocated toward project costs

2. Berkeley-Charleston-Dorchester Council of Governments

- ✓ 3 Proterra electric transit buses + charging stations will be purchased for CARTA
- ✓ Award Amount: Up to \$1,386,950.40
- ✓ Total Project Costs: \$1,963,014.00
- ✓ BCDCOG will provide funding from the following sources:
 - 29% of total project costs will be funded through Charleston County sales tax (\$576,063.60)
 - Revenues from scrappage of buses to be replaced will be allocated toward project costs
 - The annual lease expenditure for the electric battery used in each bus will be funded through Charleston County sales tax.
- ✓ Note: This project was amended such that the electric batteries will be leased instead of purchased. As a result, the number of buses and charging stations increased from 2 to 3, the total project costs increased from \$1,733,688.00 to \$1,963,014.00, and the funds from Charleston County sales tax increased from \$346,737.60 to \$576,063.60. The award amount did not change.

3. City of Anderson

- ✓ 1 ElDorado National Axess CNG transit bus
- ✓ Award Amount: Up to \$73,568.55
- ✓ Total Project Costs: \$490,457.00
- ✓ COA will provide funding from the following sources:
 - 85% of total project costs will be funded through a federal grant (\$416,888.45)
 - Revenues from scrappage of buses to be replaced will be allocated toward project costs

The total project costs for the above projects (including external funding sources) total \$10,326,089.

These projects will reduce emissions as follows:

- -64,102 lbs of NOx,
- -1,389 lbs of PM_{2.5}, and
- -2,678 short tons of GHGs

All projects must be completed within 24 months of the execution of the requisite funding agreement, unless an extension is granted by the SCDOI.

South Carolina is committed to an implementation process that is open and transparent. Accordingly, all applications for funding will be made publicly available on the VW website at vwsettlement.sc.gov. Further, all documentation and records submitted by South Carolina in support of the above funding awards, including documentation and records supporting expenditures, will be posted on this website. For more information on public access to documents related to the EMT, please refer to Section VII of the state's Beneficiary Mitigation Plan.